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Common Carrier Bureau  
Network Service Division  
Office of the Chief

Ms. Magalie R. Salas  
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445 12th Street, SW  
Washington, DC 20554

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APR - 7 1999

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Federal Communications Commission  
Office of Secretary

Washington, D.C. 20554

**Re: In the Matters of New York Department of Public Service Petition for Additional Authority to Implement Number Conservation Measures, NSD File No. L-99-21; Massachusetts Department of Telecommunications and Energy Request for Additional Authority to Implement Various Area Code Conservation Measures in the 508, 617, 781, and 978 Area Codes, NSD File No. L-99-19; Massachusetts Department of Telecommunications and Energy Petition for Waiver to Implement a Technology Specific Overlay in the 508, 617, 781, and 978 Area Codes, NSD File No. L-99-17; Petition for Declaratory Ruling and Request for Expedited Action On the July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215 and 717, NSD File No. L-97-42; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98**

Dear Ms. Salas:

Enclosed herewith for filing are the original and four (4) copies of MCI WorldCom's Comments regarding the above-captioned matters.

Please acknowledge receipt by affixing an appropriate notation on the copy of the MCI WorldCom Comments furnished for such purpose and remit same to the bearer.

Sincerely yours,

Henry G. Hultquist

Enclosure  
HGH

**RECEIVED**

**APR - 7 1999**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

**Federal Communications Commission  
Office of Secretary**

<b>In the Matters of:</b>	)	
	)	
<b>New York Department of Public Service</b>	)	
<b>Petition for Additional Authority to</b>	)	<b>NSD File No. L-99-21</b>
<b>Implement Number Conservation Measures</b>	)	
	)	
<b>Massachusetts Department of</b>	)	
<b>Telecommunications and Energy</b>	)	
<b>Request for Additional Authority to</b>	)	<b>NSD File No. L-99-19</b>
<b>Implement Various Area Code Conservation</b>	)	
<b>Measures in the 508, 617, 781, and 978</b>	)	
<b>Area Codes</b>	)	
	)	
<b>Massachusetts Department of</b>	)	
<b>Telecommunications and Energy</b>	)	<b>NSD File No. L-99-17</b>
<b>Petition for Waiver to Implement a</b>	)	
<b>Technology Specific Overlay in the</b>	)	
<b>508, 617, 781, and 978 Area Codes</b>	)	
	)	
<b>Petition for Declaratory Ruling and Request</b>	)	
<b>for Expedited Action On the July 15, 1997</b>	)	
<b>Order of the Pennsylvania Public Utility</b>	)	<b>NSD File No. L-97-42</b>
<b>Commission Regarding Area Codes</b>	)	
<b>412, 610, 215 and 717</b>	)	
	)	
<b>Implementation of the Local Competition</b>	)	
<b>Provisions of the Telecommunications</b>	)	<b>CC Docket No. 96-98</b>
<b>Act of 1996</b>	)	

**Comments of MCI WorldCom, Inc.**

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## **EXECUTIVE SUMMARY**

MCI WorldCom applauds the NYDPS and the MDTE for their efforts to ensure that all carriers have access to the numbers that they require to serve customers. MCI WorldCom is, however, concerned that state-by-state implementation of many number conservation measures could imperil current efforts to establish national rules for pooling and other measures. Accordingly, MCI WorldCom supports these petitions insofar as they seek authority to implement procompetitive policies that will neither create unnecessary costs for carriers and consumers, nor detract from the ability of the industry and the Commission to establish a national framework for number conservation.

Specifically, MCI WorldCom supports the efforts of these state commissions to establish a trial for porting unassigned numbers for specific customers. MCI WorldCom cannot, however, support additional mandatory pooling trials by individual states. These trials would create unnecessary costs for carriers and consumers. They could also delay national implementation of pooling. For similar reasons, MCI WorldCom also opposes the other requests for additional authority made by petitioners.

MCI WorldCom urges the Commission to expeditiously issue its NPRM in the NRO Proceeding. As these petitions make clear, it is critical that number conservation measures be instituted. It is the obligation of this Commission to establish national ground rules to assist these states and others in their ongoing efforts to foster and preserve competitive choices for consumers and business throughout the country.

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<b>Act of 1996</b>	)	

**Comments of MCI WorldCom, Inc.**

MCI WorldCom, Inc. ("MCI WorldCom") hereby submits these comments pursuant to Public Notice DA 99-462 (released March 5, 1999), Public Notice DA 99-461 (released March 5, 1999), and Public Notice DA 99-460 (released March 4, 1999).

## **I. Introduction**

As the petitions of the New York Department of Public Service (“NYDPS”) and the Massachusetts Department of Telecommunications and Energy (“MDTE”) make clear, the continuing demand for number resources requires a farsighted regulatory mandate that the industry adopt number resource optimization measures to guard against premature exhaust of area codes and, more generally, the North American Numbering Plan (“NANP”). MCI WorldCom applauds the NYDPS and the MDTE for their continuing efforts to ensure the availability of adequate numbering resources to all service providers on a nondiscriminatory basis. Thus, MCI WorldCom supports these state commissions insofar as they would adopt neutral, procompetitive policies that promote more efficient use of numbers, without threatening to undermine the uniformity of the numbering system. For example, the NYDPS and the MDTE both seek to promote the use of unassigned number portability (“UNP”). UNP is a measure that can be adopted now, and that can be implemented regardless of future decisions on number conservation measures, such as pooling. MCI WorldCom encourages the Commission to clarify that state commissions have sufficient authority to order LNP-capable carriers to cooperate with other carriers that seek to port unassigned numbers in order to meet specific customer needs.

The Commission should not, however, authorize state commissions to make piecemeal decisions regarding number resource optimization methods that require national implementation. Duplicative and potentially inconsistent decisions on issues such as thousand-block pooling, would impose unnecessary costs on service providers and, ultimately, consumers. The Commission should not delegate authority that it is, itself, preparing to exercise.

Robust competition depends on neutral, procompetitive number administration policies.

This Commission should assist state commissions, such as the NYDPS and the MDTE, in their efforts to promote such competition for the benefit of consumers, and to protect consumers from unnecessary costs, inconvenience, and confusion. State commissions are well-placed to refine and execute national number administration policies, and this Commission should not hinder them in their efforts to do so. But the establishment in the first instance of those policies, is an obligation of this Commission to all consumers and service providers throughout the country.

## **II. Petitions for additional authority to implement conservation measures.**

The NYDPS and the MDTE both seek additional authority to implement number and code conservation measures. Their requests for additional authority largely overlap. NYDPS is seeking additional delegated authority to: implement mandatory one thousand-block pooling trials; explore options for implementing individual telephone number ("ITN") pooling and establishing an ITN pooling trial where technologically feasible; implement interim UNP; adopt and enforce number assignment standards; and audit the use of numbering resources in conjunction with the Commission.<sup>1</sup> MDTE is seeking authority to: reclaim unused and reserved exchange codes; maintain the current central office code rationing measures for at least six months after implementation of all area code relief plans; revise rationing procedures; hear and address claims of carriers seeking additional codes outside of the rationing plan; set code allocation standards; institute thousand-block pooling; implement extended local calling areas;

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<sup>1</sup> New York State Department of Public Service Petition for Additional Delegated Authority to Implement Number Conservation Measures (filed February 19, 1999) at 2-3.

implement inconsistent rate centers; and implement UNP.<sup>2</sup>

Each of these requests for additional delegated authority must be examined against the background of the Commission's own activities with respect to number resource optimization.<sup>3</sup> The Commission should not grant additional authority to states if doing so would limit the Commission's ability to set a consistent national policy on number administration, or would require service providers to adapt their systems and processes to a hodgepodge of potentially inconsistent state policies on number administration. In its NRO proceeding, the Commission will consider many of the conservation methods that NYDPS and MDTE are seeking authority to implement now. The Commission must be careful not to limit its options in the NRO proceeding by effectively ceding authority to individual states at this time.

**A. The Commission should encourage a trial of UNP, which could serve as a national model.**

MCI WorldCom supports the efforts of the NYDPS and the MDTE to allow carriers to begin sharing numbering resources at the individual line level via UNP. When used to port unassigned numbers from one carrier to another upon a specific customer numbering request, UNP is a pro-competitive use of Local Number Portability ("LNP") and its underlying LRN technology, that may also provide some number conservation benefits. A UNP trial would help to establish and develop processes and procedures, and would help all parties to better

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<sup>2</sup> Massachusetts Department of Telecommunications and Energy's Petition of Waiver of Section 52.19 to Implement Various Area Code Conservation Methods in the 508, 617, 781, and 978 Area Codes (filed February 17, 1999) at 4.

<sup>3</sup> *Number Pooling and Other Optimization Methods*, Public Notice DA-2256, NSD File No. L-98-134 (rel. November 6, 1998) ("NRO Proceeding").



understand UNP's usefulness.

In its NRO Comments, MCI WorldCom proposed a three-tiered approach to implement UNP.<sup>4</sup> In Phase 1, UNP may occur between two carriers when the request is for numbers within a specific NPA-NXX. Carriers would utilize the existing local service request ("LSR") form to enter a description of the telephone number characteristics desired and the Firm Order Confirmation ("FOC") to enter a list of the telephone numbers to be ported. Carriers could make requests only for specific customer needs. By requiring service providers to request from a specific NPA-NXX, Phase 1 limits the potential source of telephone numbers to a single provider who can fill the request. By utilizing existing forms and processes, Phase 1 does not entail significant additional costs for carriers or end users. In Phase 2, the Commission would select a third-party administrator to distribute requests when more than one service provider can supply the requested telephone numbers. Requests could either be rate-area wide or merely NPA specific, but would continue to be limited to specific customer needs. Phase 3 would introduce a mechanized process between the third party administrator and service providers as volumes increase, and would permit requests for inventory build-up, as a substitute for new NXX assignments.

MCI WorldCom urges the Commission to clarify that states are authorized to order LNP-capable carriers to permit other carriers to port unassigned numbers in response to specific customer numbering requests. NYDPS' petition specifically describes this phase. Used in this manner, UNP is an effective means to level the competitive playing field and allow all carriers

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<sup>4</sup> NRO Proceeding; Comments of MCI WorldCom (filed December 21, 1998).

access to numbering resources. With UNP, customers who had ported their telephone numbers could request additional numbers for growth drawn from the NPA-NXX codes that match their current ported numbers. Similarly, UNP would enable service providers to offer trial service to customers of other providers using numbers drawn from the same NPA-NXXs used for the customers' existing service. In addition, in areas where an overlay relief plan has been implemented, UNP allows competitive carriers to provide a customer with new or additional telephone numbers in the NPA of the customer's choosing.

Phase 1 UNP would promote competition and may also provide some secondary code conservation benefits, especially when jeopardy exists. For instance, if a carrier has a potential customer, but has no numbers in its inventory, the carrier would need not to use extraordinary measures to serve the customer. Nor must the customer be turned away. Instead, the carrier could port the numbers that are needed from the inventory of another carrier. That customer will not be forced to choose a service provider based on the availability of numbers. These benefits are consistent with principles that MCI WorldCom has consistently advocated: that the efficiency of the NANP should be maximized in a pro-competitive fashion by allowing consumers access to any unassigned number of their choice with the carrier of their choice; and, that carriers serve as trustees of numbers, which are a public resource.

The Commission should not delegate to individual states the authority to implement Phases 2 and 3. These latter phases will require substantial development and will benefit from significant economies of scale if developed on a unified, national basis. The Commission should enable that unified development by addressing these issues in the NRO proceeding.

**B. Authorizing additional mandatory pooling trials before the Commission determines national rules for pooling would effectively delegate authority to set national policy to individual states.**

Both the NYDPS and the MDTE seek authority to implement thousand-block pooling. The NYDPS would like to convert its current, voluntary pooling trial to mandatory pooling, while the MDTE would like to institute thousand-block pooling. However, the Commission has already committed to establishing national rules for pooling.<sup>5</sup> Establishment of national rules will promote uniformity and minimize the total pooling costs incurred by carriers and, ultimately, consumers. A proliferation of state pooling “trials” and/or permanent implementations, will make it more difficult for the Commission to establish national rules, and more costly for service providers and their customers. Moreover, it is far from clear that the NYDPS and the MDTE could actually establish thousand-block pooling before this Commission completes its NRO proceeding. The Commission should not delegate additional pooling authority to individual states, but should instead assure them that the national framework will be established expeditiously.

If the states establish pooling requirements in advance of the federal action that the Commission has promised, the states will probably adopt disparate and inconsistent requirements. Additional state pooling trials in the absence of national rules will entail unnecessary costs for all. Indeed, the Commission has already recognized that “[s]ubstantial social and economic costs would result if the uniformity of the North American Numbering Plan were compromised by states imposing varying and inconsistent regimes for number conservation

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<sup>5</sup> NRO Proceeding, Public Notice. *See, also*, Letter From A. Richard Metzger, Jr., FCC, to Alan C. Hasselwander, Chairman, North American Numbering Council (March 23, 1998).

and area code relief.”<sup>6</sup>

Individual state pooling trials will cause unnecessary system expansion costs in the short term and conversion of data records in the longer term, and will rely on manual processes. Multiple, non-uniform pooling efforts could delay national pooling implementation by diverting limited resources from that effort. For example, individual state pooling trials, such as Illinois’, require for each thousand-block, that 1,000 porting records be transferred from the Number Portability Administrative Center (“NPAC”) to the local service management system (“SMS”) and finally to the network databases, or SCPs. The NPAC 3.0 national requirements, which improve on the Illinois process, call for a single NPAC message to be distributed to the SMS which will represent the pooling of an entire block. This is called Efficient Data Representation (“EDR”). This record, which is then distributed to each carrier’s SCP, minimizes data storage capacity and transmission requirements, and will provide for a more cost-effective implementation of pooling. Individual state pooling trials without NPAC 3.0 will force carriers to expand their databases to hold the additional records, and will later require a massive conversion of records to the EDR format to recover otherwise wasted storage capacity.

The limited pooling trials that are underway demonstrate the likelihood that, if authorized, the states will adopt inconsistent pooling requirements. For example, New York is currently engaged in a voluntary pooling trial in the 212 NPA. Illinois is conducting a

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<sup>6</sup> *Petition for Declaratory Ruling and Request for Expedited Action on the July 15, 1997 Order of the Pennsylvania Public Utility Commission Regarding Area Codes 412, 610, 215, and 717; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Memorandum Opinion and Order, NSD File No. L-97-42, CC Docket No. 96-98, FCC 98-224 (rel. September 28, 1998)(“NPA Relief Order”), at ¶ 21.

mandatory pooling trial in the 847 NPA. The Illinois trial requirements call for “pre-port,” while New York’s voluntary trial calls for “port-on-demand.”<sup>7</sup> In pre-port, all numbers in a given block are treated as ported numbers as soon as the block is assigned to a service provider. In port-on-demand, pooled numbers are treated as ported only as each number is about to be placed in service for an end-user. This critical difference between the two trials shows one risk of allowing states to develop pooling requirements independently. The Commission must establish national ground rules for pooling.

It is also important that cost recovery issues be addressed before mandatory pooling is implemented in any additional states. Indeed, it is impossible to evaluate the costs and benefits of pooling without knowing how much it will cost and how those costs will be recovered. This Commission must take a leading role in ensuring that any plan for the Pooling Administrator to recover its costs, complies with § 251(e)(2) of the Telecommunications Act of 1996. The costs of pooling must be recovered from all carriers, not just those that participate in the pool, in a competitively neutral manner.

If Massachusetts and New York implement pooling, Lockheed Martin will, at some point, seek to recover costs caused by their trials. To the extent that the Massachusetts and New York trials differ from each other and from the Illinois trial, Lockheed will likely incur greater costs to administer three separate trials than it would if this Commission first established national pooling requirements. The Commission must act first to ensure that costs are minimized and that cost recovery takes place on a competitively neutral basis.

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<sup>7</sup> The North American Numbering Council (“NANC”) has recommended pre-port.

Finally, implementation of mandatory pooling in New York and Massachusetts will require substantial planning and early hardware upgrades for data storage expansion on the part of major carriers, including MCI WorldCom. Although NYDPS has indicated that it will follow national pooling requirements, those requirements are based on the NPAC 3.0 statement-of-work. Carriers are currently devoting significant resources to develop toward these requirements. Resources expended on additional pooling trials will divert resources from that effort, and may delay the implementation of national pooling.

What is needed is for the Commission to order pooling as quickly as possible to ensure that national implementation begins no later than the first half of next year. MCI WorldCom has already provided the Commission with a roadmap on how to move quickly to implement thousand-block pooling with no contamination.<sup>8</sup> NANP exhaust is a national problem that requires a national framework for resolution. This Commission must act expeditiously to address the issues raised in the NRO docket by issuing a Notice of Proposed Rulemaking. In the meantime, it should not allow states to preempt its action, or to develop potentially inconsistent requirements that would significantly increase the final costs of pooling for the industry, and ultimately the public.

**C. The Commission should authorize the NYDPS to explore Individual Telephone Number pooling and report back to the Commission and the NANC on its findings.**

The NYDPS is seeking authority to explore options for implementing ITN pooling and to

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<sup>8</sup> NRO Proceeding; Comments of MCI WorldCom at 20-21.

establish ITN pooling trials where technologically feasible. As the NRO Report makes clear, the industry is not yet ready for a long run approach, such as ITN.<sup>9</sup> MCI WorldCom recognizes that there is significant industry debate over a multitude of technical, operation systems support, and cost issues that must be addressed before considering ITN pooling implementation.

The Commission should authorize the NYDPS to explore ITN pooling and report back to the Commission and to the NANC on issues related to it, including analysis of the overall effectiveness of ITN pooling. Once the costs and benefits are understood by the NYDPS, this analysis could be used in a future rulemaking that may include implementation of ITN pooling. Insofar as the NYDPS explores ITN pooling now, while the Commission focuses on thousand-block, the NYDPS would make a valuable contribution to the Commission's later consideration of ITN.

**D. Fill rates are an inferior means to evaluate a service provider's need for numbers. Inventory levels are the appropriate way to control requests for unnecessary codes.**

The MDTE seeks authority to maintain and revise rationing measures, and to set code allocation standards. MDTE intends to address fill rate and inventory level requirements. NYDPS is asking for authority to adopt and enforce number assignment standards, and to audit the use of numbering resources. NYDPS intends to: establish mandatory fill rates; reclaim NXXs and one thousand-blocks not used or needed within a specified period of time; require completion of a utilization survey before numbers are assigned; adopt rationing plans after

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<sup>9</sup> Number Resource Optimization Working Group Modified Report to the North American Numbering Council on Number Optimization Methods (October 21, 1998)(“NRO Report”).

jeopardy has been declared, but before reaching an area code relief decision; and enforce compliance with number assignment requirements and conservation measures.

Inventory levels are the appropriate means to control excessive requests for codes. Fill rates are an inferior measure for evaluating a service provider's need for numbers. With fill rates, a carrier would show that it has assigned "X" percent of the numbers in an NXX or a one thousand-block before seeking additional numbers. For example, if the fill rate is 75% for NXXs, service providers cannot request an additional NXX until they have used up 7,500 telephone numbers in the NXX that was previously assigned to them. Depending on market conditions, customer growth, sales activities, carrier size, and other factors, the service provider might use its remaining 2,500 numbers in a few days or not for several years. Any fill rate is an arbitrary number that does not take important information into account.

With the use of inventory levels, a service provider keeps on hand a certain number of telephone numbers that it will need to meet projected customer demand for a specific period of time. Today, the industry uses the "months-to-exhaust" approach in order to ensure that each carrier has sufficient numbers to meet its customers' needs. Carriers can address additional numbers when their inventory dips below twelve months (a six-month supply is used during jeopardy situations). The inventory measurement also gives service providers sufficient time to process new numbers into their inventories.

These are two distinctly different methods to measure need for numbering resources. The industry already uses the inventory method. The inventory method takes adequate account of each service providers particular situation, while a fill rate requirement would be an arbitrary approach that could result in some carriers obtaining numbers too soon and others too late. The



inventory method could be modified by reducing the interval. However, such a modification would extend the life of an NPA only by the number of months by which the inventory standard is reduced.

Fill rates, on the other hand, ignore market conditions and activation time frames, and may not be an accurate indication of the number of telephone numbers required by a carrier within a specific amount of time. If any fill rate is selected as appropriate, for wireline carriers that fill rate must be determined by rate center. MCI WorldCom and other CLECs are required to obtain a minimum of one NXX per rate area. Any attempt to apply a fill rate to an NPA would be meaningless. Here, NYDPS has offered no fill rate standard that it thinks appropriate. Nor has it indicated how that standard might vary depending on the type of carrier.<sup>10</sup> The Commission should not authorize states to establish fill rates.

With respect to auditing, the Commission is aware that the NANC is already developing auditing requirements. MCI WorldCom agrees that audits are critical to number administration, and that they must be performed. However, the purpose of an audit should be to evaluate the compliance of each carrier's inventory systems with the appropriate standards. An audit of a carrier's resources for a particular state would not necessarily produce any valid inferences about that carrier's systems. Nor would it be efficient to subject carriers to up to fifty separate audits. National audit standards and requirements must be established. State commissions should not develop and apply their own, potentially inconsistent audit requirements. The Commission should not authorize individual states to conduct their own audits.

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<sup>10</sup> Fill rates might be more appropriate for wireless carriers given that they do not require an NXX for every rate center.

The NYDPS and the MDTE seek authority to reclaim unused NXXs and thousands-blocks if not needed or used within a specific amount of time. The Industry Numbering Committee("INC") has already established guidelines regarding unused exchange codes. It is the obligation of the NANPA to ensure compliance with those guidelines. MCI WorldCom encourages the state to work with NANPA to ensure that carriers do not evade compliance with their duties under the guidelines. In addition, since MCI WorldCom opposes giving states authority to implement mandatory pooling, it also opposes the request for authority to reclaim thousands-blocks.

The MDTE seeks authority to investigate whether any of Bell Atlantic's reserved exchange codes could be made available for other carriers. MCI WorldCom supports this request to investigate which would not have any impact on the Commission's ability to take action in the NRO proceeding.

NYDPS and MDTE also seek additional authority to require rationing. Rationing is inevitably anticompetitive in that new entrants are denied numbering resources while the incumbent has a surplus. Thus, MCI WorldCom urges the Commission to continue to limit the states' authority to order rationing to situations where the industry cannot agree, a method for area code relief has been chosen, and a date for area code relief has been set.<sup>11</sup> MDTE's request to continue rationing beyond the completion of area code relief would discriminate against carriers that require numbering resources to serve customers. Rationing prior to area code relief is a necessary evil that creates pent-up demand. One of the purposes of relief is to eliminate this

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<sup>11</sup> NPA Relief Order at ¶ 24.

pent-up demand and enable carriers to obtain the numbers that they require to provide service. The Commission should not allow states to make this anticompetitive policy an option to area code relief.

NYDPS would like to require rationing before addressing area code relief. Such a grant of authority would all but overrule the NPA Relief Order, which required that a state make a decision on area code relief before requiring rationing, and then, only if the industry cannot reach consensus on a rationing plan.<sup>12</sup> If states are allowed to establish rationing before addressing area code relief, they will find it easier to avoid the hard decisions that area code relief requires. Yet vibrant competition depends, to a great extent, on fair, open, and equal access to numbers. Rationing should remain an emergency measure that can only be required after a state has taken significant steps toward area code relief.

MDTE also seeks authority to hear and address claims of carriers seeking additional codes outside the rationing process. However, the Commission has stated that it believes that the industry should work with the code administrator to address requests for extraordinary relief.<sup>13</sup> Accordingly, it is unnecessary to grant MDTE's request for additional authority.

**E. Inconsistent Rate Centers and Extended Local Calling Areas**

MDTE seeks authority to implement inconsistent rate centers and extended local calling areas as possible number conservation measures. MCI WorldCom believes that these measures would have extremely limited number conservation benefits. Inconsistent rate centers would

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<sup>12</sup> *Id.*

<sup>13</sup> Letter from Yog Varma to Ron Connors, Director of NANPA (March 12, 1999), concerning Sprint PCS request for emergency numbering relief in the 516 NPA.

compromise the effectiveness of pooling, by requiring the creation of more, and smaller, pools that would otherwise exist. In addition, they would require a significant amount of time to implement. By the time that they could be implemented, the Commission would likely already have established significant number resource optimization measures that would render inconsistent rate centers and extended local calling areas unnecessary. More importantly, by blurring the distinction between local calls and toll calls they would produce substantial customer confusion. Thus, the Commission should not authorize MDTE to adopt these as number conservation measures.

Inconsistent rate centers would harm LNP-based conservation measures, including thousand-block pooling and UNP. Because thousand-block pooling requires that pools be populated based upon each rate area, each inconsistent rate center will require establishment of a separate pool. Inconsistent rate centers also would affect the ability of carriers to port numbers. Since porting is done on a rate center basis, if carriers' rate centers do not match, one carrier may not be able to port a particular customer's number from a particular carrier.

A significant problem with inconsistent rate centers is their tendency to blur the difference between local and toll calls. Customers who changed local carriers would be surprised to learn that they had also shifted calls to or from their presubscribed toll carriers. In addition, to implement inconsistent rate centers carriers would likely have to renegotiate significant terms of their interconnection agreements. Today, most CLECs have not entered interconnection agreements with other CLECs. Implementation of inconsistent rate centers would likely require them to do so in order to ensure that intercarrier compensation could proceed based on each carrier's understanding of the difference between local interconnection and toll access.

Completion of these agreements could take a significant amount of time.

Today, extended local calling areas exist only because of agreements between CMRS providers and ILECs. CMRS providers do not have agreements with CLECs for extended local calling areas. Given the fact that these agreements do not include all segments of the industry, the Commission should not authorize their use as number conservation measures. If they were to be permitted, competitive neutrality would require that CLECs obtain traffic exchange deals similar to those the ILECs have entered with wireless carriers. Moreover, the MDTE has provided only anecdotal evidence of their usefulness. There has not been a sufficient showing of the utility of extended local calling areas as a means of code conservation. Finally, as with inconsistent rate centers, since not all carriers participate, they will reduce the volume of numbers that are available for pooling when the Commission establishes the necessary ground rules. The Commission should not authorize the states to take actions that will reduce the utility of pooling.

### **III. MDTE Petition for Waiver to Implement a Technology-Specific Overlay**

MDTE has asked for a waiver of the Commission's rule that prohibits technology-specific overlays.<sup>14</sup> The Commission has previously determined that technology specific overlays are unreasonably discriminatory and unduly limit competition.<sup>15</sup>

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<sup>14</sup> Massachusetts Department of Telecommunications and Energy's Petition for Waiver to Implement a Technology-Specific Overlay in the 508, 617, 781, and 978 Area Codes (filed February 12, 1998)("MDTE Petition"). MDTE seeks waiver of 47 C.F.R. 52.19(c)(3).

<sup>15</sup> *Proposed 708 Relief Plan and 630 Numbering Plan Area Code by Ameritech-Illinois*, Declaratory Ruling and Order, IAD File No. 94-102, 10 FCC Rcd 4596 (1995)("Ameritech

Waivers are appropriate only when special circumstances exist that warrant deviation from a general rule.<sup>16</sup> MDTE has not provided any detail whatsoever on the nature of the circumstances that warrant deviation from the general rule against technology-specific overlays. Instead, MDTE “notes that the circumstances in Massachusetts *may be* different from the circumstances that existed when the Commission originally prohibited technology-specific or service-specific area code overlays” (emphasis added).<sup>17</sup> Indeed, MDTE maintains that, if given this authority, it would then determine whether or not a technology or service specific overlay would cause the harms that the Commission’s rule is designed to prevent.

Given that MDTE has neither argued nor demonstrated the existence of special circumstances that warrant deviation from the rule against technology-specific overlays, the Commission cannot grant the requested waiver. MDTE has essentially asked the Commission not to waive a rule, but to delegate its rulemaking authority. That is not a proper use of the waiver process. In addition, the Commission should recognize that there are no unique circumstances that override its previously expressed concerns regarding competitive problems with technology-specific overlays.

#### **IV. Conclusion**

The petitions of NYDPS and MDTE demonstrate the urgent need for number

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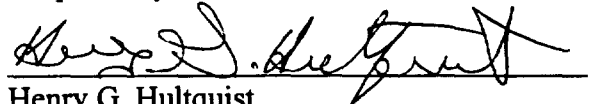
Order”).

<sup>16</sup> See, e.g., *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990); *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969).

<sup>17</sup> MDTE Petition at 5.

conservation. MCI WorldCom supports pro-competitive actions by these state commissions, and others, with respect to number conservation, so long as those actions do not reduce this Commission's flexibility to establish a national framework in the NRO proceeding. UNP is an example of such an action. However, the Commission should not grant NYDPS's and MDTE's requests for additional authority beyond UNP at this time. Nor should the Commission grant MDTE's request for a waiver of 47 C.F.R. 52.19(c)(3).

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Henry G. Hultquist", written over a horizontal line.

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April 5, 1999

## **CERTIFICATE OF SERVICE**

I, Vivian Lee, do hereby certify that copies of the foregoing Comments of MCI WorldCom, Inc. were sent via first class mail, postage paid, to the following on this 5th day of April, 1999.

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